FAS REPORT
WEEKLY ROUNDUP OF WORLD PRODUCTION AND TRADE

United States Department of Agriculture
Foreign Agricultural Service
Washington, D.C. 20250

WR 26-83

WASHINGTON, June 29-The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following developments in world agriculture and trade:

GRAIN AND FEED

Poor crop prospects are expected to boost 1983/84 (July-June) MEXICAN wheat import demand to roughly 1.2 million tons, up dramatically from 1982/83 imports of 100,000 tons. Although the United States has supplied 90 percent of Mexico's wheat import needs over the past five years, Canada has already sold 440,000 tons of "special binned" wheat for shipment in June-September. Much of the Canadian wheat is expected to be used for feed and could also affect feedgrain import demand, which is traditionally met by the United States.

OILSEEDS AND PRODUCTS

The UNITED STATES sunflowerseed crushing industry is in the doldrums. In North Dakota and Minnesota, there are five plants that crush sunflowerseed--three are purpose-built plants, and two are mainly flax seed crushing plants that crush sunflowerseed on a part-time basis. Due mainly to depressed sunoil prices and poor crushing margins, only two plants are currently operating on sunflowerseed, another plant is crushing flax seed and the other two plants are shut down.

The main problem has been competition in overseas markets from low priced Argentine sunoil. A recent attache report from Buenos Aires indicated that Argentina had sold most of its supplies of sunoil. However, at present there seems to be little if any additional overseas demand.

Trade sources indicate that crude sunoil is selling at a discount to crude degummed soy oil--discounts of $4 to $10 per ton (basis New Orleans) have been reported. Sunoil normally sells at a significant premium to soy oil.

*****

The PHILIPPINE Coconut Authority (PCA) has restricted coconut oil exports to only three of the 44 coconut milling firms currently operating. These 3 firms represent 68 percent of the Philippines' total milling capacity and accounted for 84 percent of the coconut oil exported from the Philippines in 1982. According to the PCA, this marketing arrangement is necessary to ensure an orderly distribution of limited availabilities of coconut oil this year and will assure that domestic demand is given priority.

*****

-more-

EDWIN MOFFETT, Editor, Tel. (202) 382-9443. Additional copies may be obtained from FAS Information Services staff, 5918-South, Washington, D.C. 20250. Tel. (202) 447-7937.

An early spring in the SOVIET UNION allowed sowing of most oilseed crops west of the Ural Mountains at optimal planting dates, according to the U.S. Agricultural Counselor in Moscow. Some dryness occurred in the important sunflowerseed areas of southern European USSR, but the condition is not critical at present because of timely showers. Conditions throughout the remainder of the crop areas remain favorable at this time. Estimates from the counselor for the 1983/84 production of major oilseeds in million metric tons are: sunflowerseed 5.0-5.8, cottonseed 5.0-5.2, soybean 0.44-0.48, flaxseed 0.18-0.24, rapeseed 0.13-0.15.

DAIRY, LIVESTOCK AND POULTRY

Livestock production on state and collective farms in the SOVIET UNION continues to average well above the level of 1982, which was a poor year. Meat production for the first 5 months of 1983 is reported to be up 7 percent, with beef up 5 percent, pork up 10 percent and poultry meat production up 12 percent. Milk production is up 12 percent, and egg production is up 6 percent. Procurements of meat from state and collective farms are up 8 percent, while milk procurements are reported to be 16 percent above 1982's level. Milk production for the month of May is reported to have exceeded that of May 1978, the previous record.

Cattle numbers on state and collective farms on June 1 were 96.8 million head, up over 1 percent; however, the number of cows was down slightly. Hog numbers were reported at 58.6 million head, 5 percent above year-earlier levels. A better feed situation due to a mild winter and an early spring accompanied by noraml rainfall is thought to be the primary factor behind this improved performance for the livestock sector.

*****

The JAPANESE livestock census of February 1983 shows cattle numbers at 4,579,000 head, up 3 percent from last year. Dairy cattle were unchanged from a year ago. Beef cattle were up 6 percent, with beef breeds up 3 percent and dairy cattle fed for beef up 11 percent.

COTTON AND FIBERS

The outlook for the SOVIET UNION's cotton crop in 1983/84 is mixed, according to the U.S. Agricultural Counselor in Moscow. Planting started early and was completed within the optimal period. Early season concern about water supplies has been alleviated somewhat because recent rains have improved low soil moisture levels and partially replenished water supplies in irrigation reservoirs; however, irrigation water shortages which plagued the 1982/83 crop could occur before the end of the season. Given normal weather for the remainder of the season, production is expected to recover somewhat from last year's poor harvest of 9.3 million tons of seed cotton.

*****

-more-

The 1983/84 GUATEMALAN cotton crop could increase about 50 percent from the previous year's very low crop of 210,000 bales, according to the Agricultural Attache in Guatemala. The government, which is ususally not involved with cotton production, has put together an incentives program to revive declining output. This decision was based upon the need for foreign exchange, cottonseed for oil and national employment goals. The plans call for a 42-percent increase in cotton acreage.

*****

MEXICO reports very tight cotton supplies as the 1982/83 season draws to a close. Reports from the U.S. Agricultural Counselor in Mexico City indicate Mexican domestic cotton mill use has exceeded earlier forecasts at an estimated 620,000 bales, 75 percent of the short 1982 crop. The domestic industry normally consumes about 50 percent of the cotton crop. Exports have been suspended until September, and reports indicate Mexico will import 21,000 bales from El Salvador.

*****

According to the U.S. Agricultural Counselor in SOUTH AFRICA, the 1983/84 cotton crop is forecast at 250,000 bales, nearly double last season's drought-reduced crop of 130,000 bales. Favorable support prices should encourage farmers to increase plantings. However, early season rainfall will be crucial to the development of the crop since irrigation supplies are extremely low in many of the cotton producing areas. Currently, about 36 percent of the area devoted to cotton production is irrigated. Planting will begin next October.

Selected International Prices

Item	June 28, 1983		Change from previous week	A year ago
ROTTERDAM PRICES 1/	$ per MT	$ per bu.	$ per MT	$ per MT
Wheat:				
Canadian No. 1 CWRS-13.5%.	201.00	5.47	+1.00	195.00
U.S. No. 2 DNS/NS: 14%...	181.00	4.93	-4.00	174.50
U.S. No. 2 DHW/HW: 13.5%..	N.Q.	--	--	173.00
U.S. No. 2 S.R.W..........	148.00	4.03	-8.50	N.Q.
U.S. No. 3 H.A.D.........	192.00	5.23	-3.00	171.00
Canadian No. 1 A: Durum..	209.00 14/	5.69	-1.00	N.Q.
Feed grains:				
U.S. No. 3 Yellow Corn....	147.00	3.73	+2.50	120.50
U.S. No. 2 Sorghum 2/.....	N.Q.	--	--	N.Q.
Feed Barley 3/............	N.Q.	--	--	N.Q.
Soybeans and meal:				
U.S. No. 2 Yellow.........	236.00	6.42	-4.00	247.50
Brazil 47/48% SoyaPellets 4/	208.00	--	-4.00	220.00
U.S. 44% Soybean Meal.....	206.00	--	-2.00	213.00
U.S. FARM PRICES 5/				
Wheat.....................	128.97	3.51	-1.84	127.50
Barley....................	81.76	1.78	-2.75	80.38
Corn......................	121.65	3.09	+.79	99.99
Sorghum...................	114.42	5.19 6/	-1.55	93.70
Broilers 7/...............	1095.69	--	+23.15	N.A.
EC IMPORT LEVIES				
Wheat 8/.................	104.28	2.84	+5.03	96.80
Barley....................	109.24	2.38	-.60	84.65
Corn......................	74.76	1.90	+.76	93.70
Sorghum...................	90.71	2.30	+10.76	92.75
Broilers 9/...............	283.00	N.Q.	+4.00 13/	258.00
EC INTERVENTION PRICES 11/				
Common wheat(feed quality)	181.33	4.93	+2.26	175.94
Bread wheat...............	198.88	5.41	+2.49	202.03
Barley and all other feed grains.......	181.33	--	+2.26	175.94
Broilers 12/.............	1155.00	N.Q.	+26.00	N.Q.
EC EXPORT RESTITUTIONS (subsidies)				
Wheat.....................	24.20	.66	-1.67	66.37
Wheat flour..............	N.Q.	N.Q.	N.Q.	N.Q.
Barley....................	N.A.	--	--	N.A.
Broilers 9/...............	203.00	N.Q.	+3.00 13/	171.00
Sugar, refined	N.Q.	N.Q.	N.Q.	N.Q.

1/ Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam. 2/ Optional delivery: Argentine Granifero sorghum. 3/ Optional delivery: Canadian feed barley. 4/ Optional delivery: Argentine. 5/ Based on selected major markets and adjusted to reflect farm prices more closely. 6/ Hundredweight (CWT). 7/ Twelve-city average, wholesale weighted average. 8/ Durum has a special levy. 9/ EC category--70 percent whole chicken. 10/ Reflects exchange rate change and not level set by EC. 11/ F.O.B. price for R.T.C. whole broilers at West German border. 12/ F.o.b price for R.T.C. whole broilers at West German border. 13/ Reflects exchange rate change and not change in level set by EC. 14/ June 10-July 10 Shipment. N.Q.=Not quoted. N.A.=None authorized. Note: Basis July delivery.

FAS Circular Release Dates 1983

July

8
Horticultural Products Review
World Coffee Situation

12
World Crop Production[1]

13
World Agricultural Supply/Demand[2]
World Tobacco Situation
USSR Grain Situation/Outlook

14
World Grain Situation/Outlook

19
World Cotton Situation
World Oilseed Situation

29
Export Markets for U.S. Grains

Aug

8
Horticultural Products Review

11
World Crop Production[1]

12
World Agricultural Supply/Demand[2]
USSR Grain Situation/Outlook
World Tobacco Situation

15
World Grain Situation/Outlook

16
Agricultural Export Outlook[3]

18
World Cotton Situation
World Oilseed Situation

26
Export Markets for U.S. Grains

Sept

8
Horticultural Products Review

12
World Crop Production[1]

13
World Agricultural Supply/Demand[2]
USSR Grain Situation/Outlook
World Tobacco Situation

14
World Grain Situation/Outlook

19
World Cotton Situation
World Oilseed Situation

30
Export Markets for U.S. Grains

Oct

11
Horticultural Products Review

12
World Crop Production[1]

13
World Agricultural Supply/Demand[2]
USSR Grain Situation/Outlook

14
World Grain Situation/Outlook
World Tobacco Situation

19
World Cotton Situation
World Oilseed Situation

25
World Agricultural Supply/Demand[2]

28
World Cocoa Situation
Export Markets for U.S. Grains

31
Agricultural Export Outlook[3]

Nov

4
World Meat Situation/Outlook

8
Horticultural Products Review

9
World Sugar & Molasses Situation

10
World Crop Production[1]

14
World Agricultural Supply/Demand[2]
USSR Grain Situation/Outlook
World Tobacco Situation

15
World Grain Situation/Outlook

18
World Cotton Situation
World Oilseed Situation

29
Export Markets for U.S. Grains

Dec

8
Horticultural Products Review

12
World Crop Production[1]

13
World Agricultural Supply/Demand[2]
USSR Grain Situation/Outlook
World Tobacco Situation

14
World Grain Situation/Outlook

15
World Dairy Situation/Outlook

19
World Cotton Situation
World Oilseed Situation

30
Export Markets for U.S. Grains

All World Grain Situation/Outlook Circulars are available at 9:00 a.m. of the day designated. All other FAS circular reports listed above are available after 3 p.m. on the day of release from FAS Information Services Staff, Room 5918 South Building, U.S. Department of Agriculture, Washington, D.C. 20250. Telephone (202) 447-7937.

[1] Available from FAS, Information Division, Room 5918 South Building.

[2] Prepared jointly by USDA's Foreign Agricultural Service, Economic Research Service and the World Agricultural Outlook Board. Limited number of copies and subscription information are available from the World Agricultural Outlook Board Room 5143 South Building, Washington, D.C. 20250. Telephone (202) 447-5447.

[3] On day of release copies available from USDA Press Service.

Do you need information about

- Overseas markets and buying trends?
- New competitors and products?
- Trade policy developments?
- Overseas promotional activities?

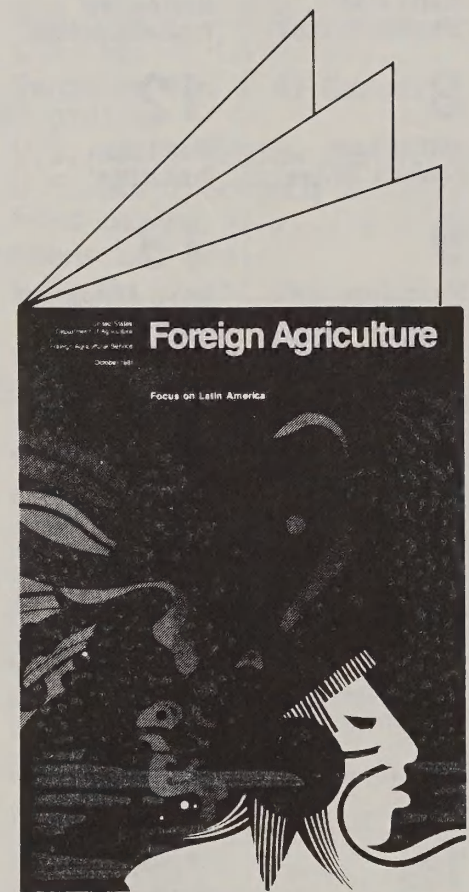
Then **Foreign Agriculture**—USDA's fact-filled monthly agricultural trade magazine—is for you. Based on official USDA data available nowhere else, **Foreign Agriculture** articles are clear and crisp, written to provide the export information you need, in a concise and extremely readable form.

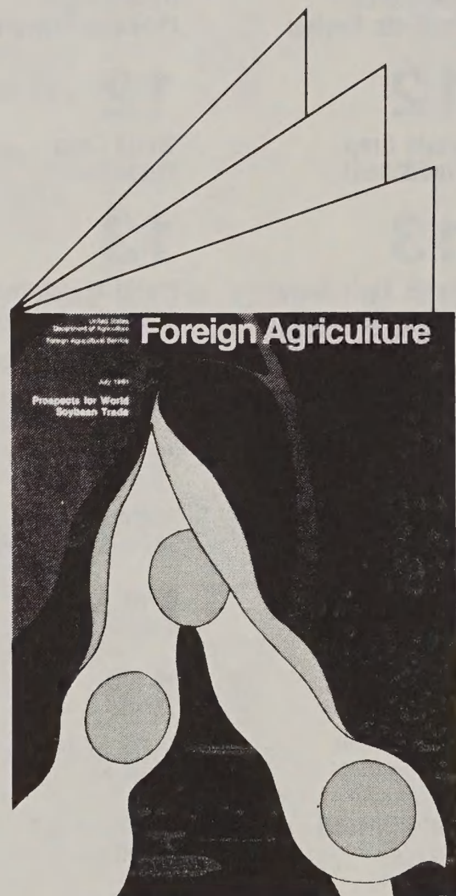
Special information is found in **Foreign Agriculture's** telegraphed, targeted news departments: Fact File, Country Briefs, Trade Updates and Marketing News. And its tables and graphs will give you an immediate grasp of what's going on overseas.

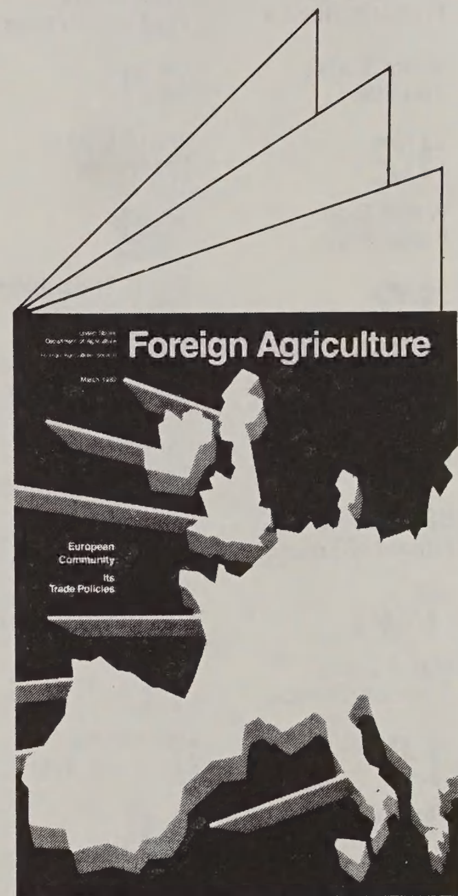
In addition, periodic special issues—such as the recent one devoted entirely to the European Community—will give you a wide range of detailed information.

If you use agricultural facts and figures in your business, you need **Foreign Agriculture.**

Subscribe today! Fill in the subscription form and mail it now. When you receive your first colorful, fact-filled issue, you'll be glad you did!







SUBSCRIPTION ORDER FORM

Please print or type

Write check payable to:
Superintendent of Documents

MAIL ORDER FORM TO:

Superintendent of Documents
Government Printing Office
Washington, D.C. 20402

Enter My Subscription To FOREIGN AGRICULTURE

@18.00 domestic (United States and its possessions); $22.50 foreign. The Government Printing Office requires that foreign addressees send international money orders, UNESCO coupons, or checks drawn on a domestic bank only.

Enclosed is $ ____________
☐ Check
☐ Money order
☐ Charge to my Deposit Account

No. ____________

Order No. ____________

Credit Card Orders Only (Visa and Mastercard)

Total charges $ ____________

Credit card No. ____________

Expiration Date Month/Year ____________

For Office Use Only

Quantity — Charges

______ Enclosed ______
______ To be mailed ______
______ Subscriptions ______
Postage ______
Foreign handling ______
MMOB ______
OPNR ______
______ UPNS
______ Discount
______ Refund

Name—First, Last

Company Name or Additional Address Line

Street Address

City — State — Zip Code

Country

FOREIGN AGRICULTURE CIRCULARS

The Foreign Agricultural Service issues a number of Foreign Agriculture Circulars during the year on various commodities and export services for the food and agricultural trade, as well as specialized publications pertaining to individual commodities.

HOW TO ORDER: Check the title of each publication you wish to order. Remit a check for the total amount payable to the Foreign Agricultural Service. Only checks on U.S. banks, cashier's checks, or international money orders will be accepted in payment. NO REFUNDS CAN BE MADE. Mail this form to: Foreign Agricultural Service
Information Division
Information Services Staff, Room 5918-S
U.S. Department of Agriculture
Washington, D.C. 20250

PLEASE ENTER THE NUMBER OF SUBSCRIPTIONS DESIRED BELOW:

			SUBSCRIPTION RATE Domestic	Foreign
______	10002	WEEKLY ROUNDUP OF WORLD PRODUCTION AND TRADE (Available to U.S. residents only) (Current news items and statistics on various commodities and summary of recent developments in world production and trade)	NO CHARGE	
______	1003	COFFEE (3 issues)	$10.00	$15.00
______	1004	COTTON (12 issues)	30.00	50.00
		DAIRY, LIVESTOCK & POULTRY:		
______	10005	EXPORT TRADE & PROSPECTS (8 issues)	20.00	40.00
______	10006	MEAT & DAIRY MONTHLY IMPORTS (12 issues)	25.00	35.00
______	10007	DAIRY SITUATION (2 issues)	5.00	7.00
______	10008	LIVESTOCK & POULTRY SITUATION (2 issues)	5.00	10.00
______	10009	ALL 24 REPORTS LISTED ABOVE	55.00	92.00
		GRAINS:		
______	10010	WORLD GRAIN SITUATION & OUTLOOK (18 issues)	40.00	75.00
______	10011	EXPORT MARKETS FOR U.S. GRAIN (12 issues)	30.00	50.00
______	10013	USSR GRAIN SITUATION & OUTLOOK (12 issues)	15.00	20.00
______	10014	ALL 42 REPORTS LISTED ABOVE	85.00	145.00
______	10015	HORTICULTURAL PRODUCTS (12 issues)	30.00	50.00
______	10016	OILSEEDS & PRODUCTS (14 issues)	30.00	50.00
______	10017	SEEDS (12 issues)	40.00	70.00
______	10018	SUGAR, MOLASSES & HONEY (4 issues)	10.00	15.00
______	10019	TEA, SPICES & ESSENTIAL OILS (4 issues)	10.00	15.00
______	10020	TOBACCO (12 issues)	30.00	50.00
______	10021	WORLD CROP PRODUCTION (12 issues)	30.00	50.00
______	10022	COCOA (2 issues)	5.00	7.50

______ TOTAL REPORTS ORDERED TOTAL SUBSCRIPTION PRICE ______

ENCLOSED IS MY CHECK FOR $______ MADE PAYABLE TO FOREIGN AGRICULTURAL SERVICE.

NAME (Last, first, middle initial)		
ORGANIZATION OR FIRM		
STREET OR P.O. BOX NUMBER		
CITY	STATE	ZIP CODE
COUNTRY		

FAS-829 (Rev. 2-83)

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, $300

FIRST-CLASS MAIL
POSTAGE & FEES PAID
USDA-FAS
WASHINGTON, D.C.
PERMIT No. G-262

If your address should be changed ________ PRINT OR TYPE the new address, including ZIP CODE and return the whole sheet and/or envelope to:

FOREIGN AGRICULTURAL SERVICE, Room 5918 So.
U.S. Department of Agriculture
Washington, D.C. 20250